1	2	3	4	5	6
	4.	Edible oils	2.89	4.39	4.61
	5.	Egg, Fish and Meat	2.26	2.99	3.34
	6.	Vegetables	3.96	4.31	6.49
	7.	Fruits	1.88	1.99	1.87
	8.	Sugar	1.26	1.84	2.37
	9.	Spices	1.16	1.53	2.10
	10.	Non Alcoholic Beverages	2.02	1.31	2.01
	11.	Prepared meals etc.	3.17	4.81	2.54
	12.	Pan/ Tobacco Intoxicants	1.35	1.46	2.69
I		**Food**	37.16	47.13	58.57
II	13.	**Fuel and light**	8.40	5.48	10.19
	14.	Clothing and Bedding	3.34	6.14	4.54
	15.	Footwear	0.57	0.89	0.76
III		**Clothing, bedding and Footwear**	3.91	7.03	5.30
IV	16.	**Housing**	22.53	16.41	1.29
	17.	Education	4.18	4.58	2.67
	18.	Medical	4.34	2.51	6.63
	19.	Recreation and amusement	1.99	2.19	0.98
	20.	Transport and Communication	9.84	5.18	5.74
	21.	Personnal care and effects	2.74	4.55	3.01
	22.	Household requisites	3.92	2.02	4.52
	23.	Others	0.99	2.92	1.10
V		**Miscellaneous**	28.00	23.95	24.65
		All Groups	100.00	100.00	100.00

Financial crisis in the USA

365. SHRI D. RAJA: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the recent financial crisis in United States of America (USA);

(b) if so, the details thereof; and

(c) what is its impact on the Indian economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) The global financial crisis which surfaced in August 2007 had its origin in the meltdown of the US housing market and consequent sub-prime mortgage loan delinquencies and rising home foreclosures. This in turn led to a steep fall in the prices of mortgage-backed securities, whose value is derived from mortgage payments. The financial institutions-investment banks, structured investment vehicles, hedge funds, etc. - with too little capital were unable to deal with the resultant losses and write-downs. Further, as these institutions did not have recourse to central bank facilities, they were also unable to cope with the liquidity crunch that followed, thereby amplifying the crisis. The turmoil in international financial markets intensified in August-September, 2008 with the failure of major international financial institutions.

Indian banks have very limited exposure to the US mortgage market, directly or through derivatives, and to the failed and stressed international financial institutions. The crisis in the international financial markets could impact the Indian equity and foreign exchange markets directly. The money, debt and credit markets could also be affected, albeit indirectly, raising costs of funds to Indian corporates. The macroeconomic impact of the global financial turmoil has been muted due to the overall strength of domestic demand and the predominantly domestic nature of financing of investment. The fundamentals of the Indian economy have been strong and continue of be strong.

The Government has been closely monitoring these developments in international financial markets and reviewing the emerging domestic financial market situation. There is a regular institutional mechanism in the form of a High Level Coordination Committee on Financial Markets (HLCCFM) with the Governor, RBI as Chairperson to oversee the regulatory and policy issues relating to Indian financial markets. The HLCCFM in its last meeting on October 1, 2008 reviewed the developments in the domestic financial markets and assessed the soundness of the systemic framework and the preparedness of all regulators to act in a coordinated and timely manner to deal with the emerging market situation in order to ensure smooth functioning of the markets.

SCAMS in private and foreign banks

366. SHRI SANJAY RAUT: Will the Minister of FINANCE be pleased to state:

(a) whether Government has taken any decision to introduce any special scheme to unearth the irregularities and scams in private and foreign banks;

(b) if so, the salient features of the scheme; and

(c) by when the above scheme is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) to (c) As a proactive measure for strengthening financial stability and with a view to enhancing public confidence in the robustness of the financial sector, Reserve Bank of India (RBI) has, vide its circular dated 18.04.2007, implemented a scheme called "Protected Disclosures Scheme for Private Sector and Foreign Banks". The salient features of the Scheme include the areas of complaints such as corruption, misuse of office, criminal offences,